

HBFR Covered Bond Investor Report

Collection Period End:

31/03/2010

Date of Report:

15/04/2010

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	3 817 189 287.32
Number of Loans	28 970
Number of Borrowers	26 050
Average Loan Balance	131 763.52
Weighted Average Seasoning of Loan parts (months)	45.45
Weighted Average Remaining Term of Loan Parts (months)	171.75
Percentage of variable mortgages	4%
Weighted Average Current LTV	68.69%
Weighted Average Current Indexed LTV	62.96%
Loan Originator	Total Loan Balance
HBFR	3 817 189 287.32

Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	1 774 254 372.27
Weight Average Maturity	6.79

ACT Results	
Asset Cover Ratio	1.86
Asset Cover Test Result	PASS

HSBC Covered Bonds (France) Investor Report

1.a Unindexed LTV Ranges Distribution		
Unindexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	484 251 646	6 848
>40% - ≤50%	339 904 460	2 887
>50% - ≤60%	466 312 181	3 268
>60% - ≤70%	520 072 450	3 600
>70% - ≤80%	595 796 979	3 930
>80% - ≤85%	316 094 510	1 960
>85% - ≤90%	336 123 916	2 134
>90% - ≤95%	312 746 577	1 853
>95% - ≤100%	266 641 239	1 530
>100% - ≤105%	148 546 719	784
>105%	30 698 611	176
Total	3 817 189 287	28 970

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	712 526 137	9 443
>40% - ≤50%	438 499 320	3 390
>50% - ≤60%	499 557 551	3 381
>60% - ≤70%	522 784 798	3 246
>70% - ≤80%	546 591 397	3 274
>80% - ≤85%	302 362 095	1 751
>85% - ≤90%	286 071 112	1 607
>90% - ≤95%	264 194 182	1 506
>95% - ≤100%	244 602 696	1 372
>100% - ≤105%	-	-
>105%	-	-
Total	3 817 189 287	28 970

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	3 817 189 287	29 018
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	3 817 189 287	29 018

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3. Seasoning		By Unindexed LTV ranges										
Seasoning in months	Total Loan Balance	0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
< 12	301 932 602	36 264 338	26 455 543	38 346 274	42 302 635	51 130 689	23 563 166	24 409 820	27 924 902	30 932 110	341 987	261 137
≥12 - <24	297 853 840	54 421 504	30 152 193	43 134 964	44 799 261	47 579 576	29 085 982	29 424 254	16 676 418	2 579 688	-	-
≥24 - <36	424 992 864	54 595 822	38 618 819	48 321 218	63 645 940	70 201 813	42 662 874	44 110 257	33 238 254	22 507 002	4 282 993	2 807 873
≥36 - <60	2 071 243 309	189 623 904	160 504 512	221 769 445	257 848 599	312 404 438	170 265 321	202 025 778	198 670 044	200 506 292	136 786 358	20 838 618
≥60	721 166 673	159 055 652	87 600 347	116 956 024	113 946 805	112 237 978	48 576 770	32 340 136	31 204 677	7 214 978	5 275 308	6 757 998
Total	3 817 189 287	493 961 219	343 331 415	468 527 924	522 543 240	593 554 494	314 154 113	332 310 245	307 714 295	263 740 070	146 686 647	30 665 625

4. Loan Purpose		By Unindexed LTV ranges										
Loan Purpose	Total Loan Balance	0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Purchase	3 477 358 501	462 328 914	324 973 382	438 956 090	484 545 591	541 048 040	281 740 742	289 948 343	267 140 142	224 820 900	133 568 835	28 287 522
RE-MORTGAGE	197 014 859	8 814 903	7 559 644	12 073 984	19 034 697	29 042 946	20 998 210	29 760 692	29 609 150	29 588 900	8 961 740	1 569 993
EQUITY RELEASE	-	-	-	-	-	-	-	-	-	-	-	-
RENOVATION	85 481 020	11 920 240	5 778 054	8 471 270	12 042 168	14 798 924	8 360 669	8 724 841	7 275 560	5 723 898	2 157 852	227 544
Construction (new)	57 334 907	10 897 163	5 020 335	9 026 580	6 920 783	8 664 584	3 054 493	3 876 369	3 689 443	3 606 372	1 998 219	580 566
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 817 189 287	493 961 219	343 331 415	468 527 924	522 543 240	593 554 494	314 154 113	332 310 245	307 714 295	263 740 070	146 686 647	30 665 625

5. Occupancy type		By Unindexed LTV ranges										
Occupancy type	Total Loan Balance	0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Owner-occupied	2 896 238 020	396 081 265	270 277 492	364 249 273	401 396 313	448 252 813	235 230 958	238 889 600	223 790 671	187 018 224	109 693 614	21 357 796
Buy-to let	595 887 175	49 225 225	42 106 000	64 812 198	68 361 844	90 730 944	52 842 963	68 023 063	62 275 358	56 856 398	32 610 909	8 042 273
Vacation / second home	325 064 092	48 654 729	30 947 923	39 466 453	52 785 083	54 570 736	26 080 192	25 397 582	21 648 267	19 865 447	4 382 124	1 265 556
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 817 189 287	493 961 219	343 331 415	468 527 924	522 543 240	593 554 494	314 154 113	332 310 245	307 714 295	263 740 070	146 686 647	30 665 625

6. Borrower Employment type		By Unindexed LTV ranges										
Employment type	Total Loan Balance	0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Employed	2 524 295 631	309 213 647	223 573 425	305 730 111	353 694 852	406 124 542	207 183 024	222 270 372	199 449 148	173 316 252	103 354 772	20 385 486
Protected life-time empl	229 185 949	30 026 510	19 590 325	26 467 984	30 193 076	34 526 532	17 635 328	20 922 671	17 310 512	21 569 270	9 230 072	1 713 668
SELF-EMPLOYED	808 012 335	102 953 420	72 716 682	98 768 286	105 055 857	120 875 295	69 483 291	72 066 229	75 538 167	54 614 587	29 168 046	6 772 473
Unemployed	208 598 435	36 788 619	21 356 994	31 063 610	27 919 126	27 285 074	16 302 272	15 004 542	13 669 250	13 133 719	4 617 040	1 458 190
Other/No data	47 096 937	14 979 023	6 093 989	6 497 932	5 680 329	4 743 050	3 550 199	2 046 431	1 747 218	1 106 242	316 716	335 809
Total	3 817 189 287	493 961 219	343 331 415	468 527 924	522 543 240	593 554 494	314 154 113	332 310 245	307 714 295	263 740 070	146 686 647	30 665 625

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7. Geographical distribution												
Region	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Alsace	42 551 703	4 775 761	2 840 660	4 260 271	4 725 552	6 657 730	4 690 044	4 216 628	3 868 766	3 669 704	2 376 693	469 894
Aquitaine	162 108 098	20 301 664	11 112 827	18 815 057	20 065 651	25 783 960	14 918 386	15 492 216	14 293 839	13 869 452	5 899 358	1 555 688
Auvergne	14 177 745	906 597	755 587	1 569 987	2 069 521	1 986 964	1 785 884	1 228 071	1 265 869	733 714	1 875 550	-
Basse-Normandie	39 537 872	4 502 914	2 923 406	3 110 274	5 288 369	6 672 379	3 066 347	2 780 288	7 593 811	2 749 175	642 934	207 975
Bourgogne	27 594 435	2 348 616	1 640 812	2 410 960	3 189 968	4 718 037	3 293 656	2 044 592	2 824 686	3 356 237	1 247 789	519 079
Bretagne	61 688 796	7 082 623	5 006 686	6 917 354	9 219 482	12 012 357	4 149 871	6 625 852	4 327 427	4 510 549	741 118	1 095 478
Centre	52 312 253	4 972 304	4 966 600	6 177 423	6 466 071	7 448 211	4 056 990	6 171 270	5 061 626	4 710 250	2 004 715	276 794
Champagne-Ardenne	9 343 699	1 129 937	806 686	973 001	828 376	1 516 603	492 151	385 344	1 409 346	1 207 430	414 680	180 146
Corse	9 464 199	1 803 484	989 574	1 468 382	1 208 794	1 587 135	783 959	476 930	436 161	578 307	131 474	-
Départements d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
Franche-Comté	12 124 698	1 869 105	741 616	1 110 061	1 453 611	1 940 015	1 298 884	967 326	1 177 419	906 311	511 764	148 587
Haute-Normandie	98 693 505	7 646 686	5 646 897	9 901 591	14 071 767	10 623 688	9 791 089	11 514 732	8 928 936	11 152 309	7 479 308	1 936 502
Île-de-France	1 916 118 090	270 059 459	183 824 896	250 451 355	274 104 221	297 020 156	155 888 785	155 913 847	139 876 007	108 930 392	70 703 557	9 345 414
Languedoc-Roussillon	49 715 533	6 152 933	3 566 356	4 091 334	8 091 632	6 125 253	5 018 947	6 111 822	4 292 236	3 719 623	1 813 171	732 226
Limousin	11 194 764	1 005 002	794 392	1 339 063	1 376 961	2 388 335	579 123	1 492 151	993 370	910 046	316 319	-
Lorraine	46 601 689	3 484 500	2 190 217	3 005 550	4 716 387	6 792 111	5 509 409	4 944 475	6 407 467	5 250 351	3 921 592	379 630
Midi-Pyrénées	65 905 676	8 115 717	4 832 501	7 398 680	7 059 047	11 497 321	4 844 536	6 983 860	6 839 607	5 294 231	2 702 930	337 247
Nord-Pas-de-Calais	212 687 050	23 856 364	19 009 592	19 644 025	28 750 671	31 219 653	18 615 265	22 734 936	21 802 855	18 362 688	6 927 674	1 763 327
Pays-de-la-Loire	84 026 356	10 022 691	8 959 398	8 595 802	11 354 198	14 909 361	5 403 358	9 215 048	8 936 048	4 017 596	1 682 232	930 624
Picardie	18 781 243	3 017 937	939 749	1 374 476	2 039 630	1 592 238	1 682 802	1 248 558	2 033 795	3 112 093	1 531 775	208 189
Poitou-Charentes	71 863 539	7 859 592	5 803 147	8 526 631	11 891 661	12 753 550	4 749 095	5 346 760	6 380 421	5 777 650	2 709 687	65 344
Provence-Alpes-Côte d'Azur	495 279 496	68 056 123	45 134 409	56 462 924	63 324 733	81 632 361	38 823 134	35 964 587	39 097 158	41 353 702	19 697 160	5 733 205
Rhône-Alpes	315 418 846	34 991 210	30 845 405	50 923 722	41 246 938	46 677 076	24 712 398	30 450 952	19 867 445	19 568 261	11 355 166	4 780 273
Territoires d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 817 189 287	493 961 219	343 331 415	468 527 924	522 543 240	593 554 494	314 154 113	332 310 245	307 714 295	263 740 070	146 686 647	30 665 625

ASSET COVER TEST

Date of Asset Cover test:

15/04/2010

$$R = \frac{\text{Adjusted Aggregate Asset Amount (AAAA)}}{\text{Aggregate Covered Bond Outstanding Principal Amount}} \geq 1$$

Adjusted Aggregate Asset Amount (AAAA) = A + B + C + D - (Y + Z)

R	Asset Cover test Ratio	1.86
	Adjusted Aggregate Asset Amount (AAAA)	3 303 468 537.99
	Aggregate Covered Bond Outstanding Principal Amount	1 774 254 372.27
	Asset Cover Test Result	PASS

A	=min(A1 ; A2)	3 320 954 679.97
A1	Adjusted Home Loan Outstanding Principal Amount	3 695 056 868.23
A2	= a * b	3 320 954 679.97
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 817 189 287.32
	Asset Percentage (b)	87.0%

B	Cash Collateral Account	-
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C	Aggregate Substitution Asset Amount (ASAA)	-
	ASAA level limit	20%
	ASAA level is acceptable	TRUE

D	Permitted Investments	42 781 685.11
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Y	Payments under Issuer Hedging Agreement	-
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Equal to:

i) Zero before Issuer hedging Agreement is entered into by Issuer subject to, and in accordance with, the Hedging Strategy

ii) Otherwise, an amount equal to payments due under the Issuer hedging Agreements (plus interest thereon) within the period of α plus 2 months, where alpha means the period between 2 interest payment dates (1st day of such period included and last day of

Z	WAM * Covered Bond Outstanding Principal Amount * 0.50%	60 267 827
	WAM (Weighted Average Maturity Negative Carry Adjustment)	6.79 0.50%

Name of Series	Outstanding Principal Amount	Scheduled Maturity Date	Remaining Maturity
Serie n°1 ISINFR0010849174 Devise : EUR	1 500 000 000.00	20/01/2017	6.7589 Years
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	5.3863 Years
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	8.389 Years